



CALPEEK

CALIFORNIA POLITICAL WEEK

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VOL. XXIII
No. 22

MAY 28, 2001

ENERGY & POLITICS: SHOULD CALIF. GO NUCLEAR?

Editor's note: Among other parts of their new energy plan, Pres. George W. Bush and VP Dick Cheney suggested that nuclear energy should play a key role in providing electricity. Now Calif. State Sen. Tom McClintock(R-Camarillo) is leading the charge to reestablish nuclear power in Calif. Here's a brief update & analysis...

...Back in the late 1970s and 1980s, nuclear power plants were supposed to be the wave of the future in terms of producing new and cheap electricity. But there were several problems: 1) cost to build a nuclear power plant was very expensive; and 2) a place was needed where nuclear waste could be disposed of – not an easy task and one ripe with political consequences...

...Calif. has two fully operational nuclear power generating plants: San Onofre and Diablo Canyon. There are two nuclear reactors at each plant and together they produce 17% of the State's electricity. In the U.S. 103 nuclear plants produce 19% of the total U.S. supply of electricity...

...McClintock's SJR 13 asks the Legislature to declare nuclear energy "a necessary source of electricity generation, with no detrimental impact on its citizens and environment." Don't know that McClintock will get his resolution out of the Senate Energy Cmt., because there's still opposition to siting nuclear power in Calif. Remember Prop. 9 from 1998? While this initiative from the anti-nuke crowd was crushed with a 73.5% NO vs. 26.5% YES vote, the utilities and the power generators had to pump in some \$30-40 million to defeat this initiative...

...The aim of the YES on 9 crowd was to undo AB 1890 – the energy dereg bill. One section of AB 1890 allowed SCE & PG&E to charge their customers for the cost of phasing out both nuclear power plants. What Californians Against Utility Taxes(CUT) had no way of knowing at the time was that Prop. 9 totally panicked the utilities and power generators and construction of new non-nuke power plants was put on hold until after Prop. 9 was decided. Had it not been for this delay of 7-10 months (some say longer) at least 3 or 4

new plants would have been online by the end of 2000. Bottomline: the anti-nuke/YES on 9 crowd share part of the blame for the current energy crisis in Calif...

...So what about McC's resolution? His resolution is supported by 13 other GOP senators and 16 GOP assembly members. The big problem: current Calif. law prohibits the siting of new nuclear power plants until a national repository for nuclear waste has been established. McC's SJR 13 calls on Pres. Bush and Congress to establish such a site at Yucca Mountain in Nevada. Nevada is not exactly warm to this proposal and Bush made a promise during the campaign NOT to site a repository at Yucca Mountain. If Bush goes back on his promise about Yucca Mountain, he can forget NV in 2004. Stay tuned...

ENERGY & POLITICS: PRES. BUSH VS. GOV. DAVIS??

Editor's note: President George W. Bush's long awaited energy plan is now on the table and his political opponents in Calif. are having a ball picking it apart. There doesn't seem to be much doubt that when Pres. Bush and VP Dick Cheney unwrapped the new plan, Calif. was left high & dry. Enter Demo Calif. Gov. Gray Davis and his spin team, including some new additions which have drawn GOP fire. Here's our update & analysis...

...Doesn't seem much doubt that Gov. Davis has appointed himself as the national Demo point man on energy. For those who have forgotten, Davis is the Chair of the Demo Governors Assn. and thus does have a national platform from which to address the energy issue. And to sharpen his message Davis' has now gone to the mattresses. At least that's what it looks like to the governor's GOP critics...

...No reason to rehash all of the points in the new Bush energy plan, but it is heavy on the oil & gas drilling; nuclear energy, with no caps on wholesale power. And without caps on power prices, Calif. and other States are looking at a very bleak summer. As Davis noted a recent AP interview, "Mr. President, you didn't create this problem, but you are the only one who can solve it." Davis has asked to meet with Pres. Bush on the President's upcoming visit to Calif...

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... Among the new faces in the Davis Admin. are Mark Fabiani and Chris Lehane. Neutral Demo sources say that Fabiani is perhaps one of the “smartest” crisis managers in the U.S., while Lehane was former VP Al Gore’s chief spin MD. Together they own Fabiani & Lehane – and they will be paid \$30,000 per month to help Davis. These guys are viewed by the GOP as Demo political warriors – not public policy wonks. Both the Calif. Republican Party, as well as GOP Senate Leader Jim Brulte and GOP Assembly Leader Dave Cox, think Davis should have put them on his own *campaign payroll*. He certainly can afford it. And there are even some Demos who agree – because the *perception* is that these two will do all the Bush bashing from now on. The Demo response to Brulte & Co. --- where were you when former Gov. Pete Wilson put GOP consultant Joe Shumate and GOP op reseach guru Joe Rodota on State payroll???

... But the fact is both Fabiani & Lehane will be working in the Capitol and according to Calpeek sources their responsibilities will be to put together a state government-wide communications system that will help Gov. Davis sell, promote and defend his programs – energy being the most obvious. And instead of doing lots of Bush bashing, sources say F&L will concentrate on what a Davis source calls the “gouging generators.” FYI: in recent days, Reliant Energy of Houston, TX seems to be the focus of Davis’ attacks. And don’t forget the PUC allegations against the power generators – purposely closing down their plants to drive up prices. The PUC and Calif. AG’s office are probing these allegations. Generators deny any wrong doing...

... In addition to F&L, sources say the Gov. Davis will make more use of surrogates – such as S. David Freeman, former LADWP guru and Davis’ new conservation chief. And also don’t forget Nancy McFadden, former Deputy COS to Gore. She’s a new addition too. In terms of raw political spinning, Garry South continues to aim his barbs at Davis’ potential GOP rivals in 2002 (Jones & Simon). And don’t forget Calif. Demo Party’s Bob Mulholland. He’s the GOP basher *without portfolio* – free to take on any GOP target...

... Going after the CA GOP. Since there was only 1 GOP lawmaker (Pescetti) who crossed party lines to vote for the bond bill, SB 31X, Calpeek sources look for stepped up attacks against GOP Senate & Assembly Leaders Jim Brulte and Dave Cox. Because SB 31X had to be passed as a majority bill (instead of 2/3rds) the sale of the bonds has been delayed – thus driving up the costs and lowering Calif.’s credit rating. By not providing the votes on the bonds, GOP lawmakers have made a key blunder – in the view of Demos. Stay tuned...

ENERGY BILLS APPROVED BY CALIF. LEGISLATURE

The following is a list of energy-related bills which have passed the Calif. Legislature...

- AB 1X (Keeley) signed. This is the bill which put Calif. into the buying & selling power.
- AB 5X (Keeley) signed. Pescetti co-author. ISO Board Restructuring.
- AB 6X (Dutra) signed. Pescetti co-author. Stops IOUs from selling assets.
- AB 29X (Kehoe) signed. Conservation.
- AB 31X (Wright) signed. CARE program, a program for low-income utility users.
- SB 5X (Sher). signed. Conservation.
- SB 28X (Sher). signed. Cuts time to site a power plant.
- SB 31X (Burton). signed. Bond bill.
- SB 6X (Burton). signed. Creates CA Consumer Power and Conservation Financing Authority.
- SB 43X (Alpert) & AB 43X (Correa). signed. San Diego fix for business.

CAMPAIGN 2002: LOOKING AT THE L.A. MAYOR'S RACE DOWN THE ROAD - IMPACT IN 2002 AND 2006.

Editor’s note: Ever wonder why Calif. Gov. Gray Davis endorsed former Assemblyman Antonio Villaraigosa for L.A. Mayor? The answer is simple: *Campaign 2002*. Here’s our brief update & analysis, with polling data...

... Polling first. The latest poll in the June 5th L.A. mayor’s race by L.A. City Atty. Jim Hahn shows him holding a 10-point lead over Villaraigosa: **51 to 41**, with the rest undecided. The survey was taken May 14-15 among 600 likely voters (by DC-based Greenberg Quinlan Research). The KABC-TV Eyewitness survey shows Villaraigosa holding a **49% to 45%** lead. The general conclusion of the Greenberg Quinlan poll is that Hahn has solidified his advantage by attracting voters who supported other candidates in the April 10th primary – especially Steve Soboroff and L.A. Councilman Joel Wachs. According to the data, Hahn leads Villaraigosa among Soboroff voters by a 78% to 16% margin. Among all GOP voters, Hahn holds a 69% to 18% lead...

... This Hahn poll also measured the impact of L.A. Mayor Richard Riordan’s endorsement of Villaraigosa. Overall, No Difference/Don’t Care **74%**, Less Likely **14%** and More Likely **12%**. FYI: Riordan’s endorsement was made on

May 16th – a day after the poll was finished. However, the Hahn campaign had a pretty good idea that if Riordan endorsed in the runoff, it would be Villaraigosa and not Hahn. That's why they included this particular question...

...And now to Gov. Davis and Villaraigosa. Davis' endorsement is smart politics and has more to do with 2002 than anything else. Remember: Villaraigosa was a Chechi support in 1998 and so Davis really didn't have to endorse him. And for those who think that Riordan has totally closed the door on a run against Davis in 2002, guess again. Contrary to his public statements, our sources say Riordan is watching developments very carefully. And sources believe White House political operatives haven't given up on Riordan...

...When Davis endorsed Villaraigosa, it came at a very critical time, because Villaraigosa was not a slam dunk to make the runoff when Davis endorsed him. And the reason why Davis endorsed Villaraigosa, according to sources, was to make sure he had a partisan political ally in L.A. City Hall. Hahn may be a Demo, but he's not a partisan – not like Villaraigosa. And if Villaraigosa should be elected, Davis would have strong political allies in most of Calif.'s big cities: San Francisco (Willie Brown), Oakland (Jerry Brown) and perhaps Sacto and San Jose as well. San Diego Mayor Dick Murphy is the exception. He's a GOPer...

...FYI: Assuming Davis is reelected in 2002, and that's not a sure bet any longer, there could be four top Demos vying to replace Davis in 2006 – if Villaraigosa is elected June 5th. Villaraigosa, Lt. Gov. Cruz Bustamante, AG Bill Lockyer and CA Treasurer Phil Angelides. And of these four, the one who would have the leg up in terms of name ID, would be Villaraigosa. Stay tuned...

CAMPAIGN 2001: L.A. CITY ELECTION ODDS & ENDS.

Editor's note: Just a few brief notes from the upcoming June 5th runoff election in L.A. City...

☒ ***The Hayden Watch*** – For those who like to follow the career of former State Sen. Tom Hayden(D), he's still leading his opponent Jack Weiss for the 5th council district, but it's not by that much, according to a new poll by GLS Research (Paul Goodwin). Goodwin's poll of 400 likely voters taken May 1-5 (+/- 5%) shows Hayden leading Weiss by just 4 points – 40% to 36%, with 24% undecided. This is within the margin of error, meaning the race could be dead even. Hayden has 77% name ID vs. only 36% for Weiss. In addition, the survey showed that fully 20% of the voters would not vote for Hayden under any circumstances...

☒ ***Phony Phone Calls*** – Remember those phony Gloria Molina phone calls in the primary which bashed L.A. mayoral candidate Antonio Villaraigosa? L.A. Co. DA Steve Cooley has just finished a probe and it's his belief the phony calls are linked to U.S. Rep. Xavier Becerra's unsuccessful campaign for mayor. We should note: Becerra's campaign did not, repeat did not, break the law. According to an *L.A. Times* story (5/23), Becerra cmp. mgr. Paige Richardson knew about the calls; the female voice on the recording was that of a Becerra staffer; and the firm who supplied the phone banks (La Colectiva) did phone bank work for the Becerra campaign. Attorney Fred Woocher (Richardson's attorney) strongly denied a statement which is attributed to La Colectiva director Martin Gutierrez. Gutierrez told the *L.A. Times* the phone messages were ordered and paid for by the Becerra campaign. Calpeek will sort this mess out after the June 5th runoff in L.A....

☒ ***L.A. City Attorney's Race*** – In terms of being a high profile race, the L.A. City Attorney's election always seems to play second fiddle to the Mayor's race. Local tv news coverage of this race has been almost non-existent. And while L.A. Councilman Mike Feuer and L.A. Dep. Mayor Rocky Delgadillo have met in non-televized forums and debates, Delgadillo is reluctant to face Feuer in a live or taped tv debate situation. KCET's *Life & Times* and Adelphia Cable have made offers, but Delgadillo won't accept. Lame excuse: scheduling conflict. Because he won't debate Feuer, sources say Adelphia will have Feuer on alone, ditto KCRW Radio's *Which Way L.A.* Delgadillo did debate Feuer at a recent L.A. Central City Assn. forum (that association has endorsed Delgadillo). To say that Feuer is frustrated by Delgadillo's debate ducking is an understatement. On the other hand, keeping the campaign low-keyed is a smart tactic by the Delgadillo camp. Stay tuned...

CALPEEK'S CALENDAR OF POLITICAL EVENTS

June 5	L.A. city runoff election; 32 nd CD special election runoff.
June 15	Calif. State Budget must be passed.
June 28-30	NALEO's 18 th Annual Conference, San Jose.
July 15-17	DLC Nat'l Convention, Indianapolis, IN.
July 20-Aug. 20	CA Legislature's summer recess.
Sept. 28-29	CA Political Attorneys Assn. convention, Monterey.
Oct. 14	Last day for Gov. Davis to sign bills.
Oct. 29	Calif. candidate declaration of intent for 2002.
Nov. 9-12	IAPC 34 th World Conference, Malta.
Nov. 27-Dec. 1	Nat'l League of Cities – Atlanta, GA

CALPEEK'S CAMPAIGN CONSULTANTS DIRECTORY

Calpeek is now soliciting orders for *advertising* in our new 2001-2002 **Directory of Campaign Consultants**. Advertising order forms have been sent to many (but not all) Calpeek subscribers. If you are interesting in advertising in the new Directory, please contact Calpeek Publisher Dick Rosengarten at (310)659-0205. FYI: the back outside cover of the Directory has been sold...

CALPEEK'S INFOBAHN: POLITICAL SHORT TAKES.

Editor's note: Here are a few items, political & otherwise, worth noting...

■ **O'Connell to Run for Supt. of Public Inst.** – State Sen. Jack O'Connell(D-Santa Barbara) launched his campaign to succeed Delaine Eastin as CA Supt. of Public Instruction. O'Connell is using his long time consultant, Gale Kaufman. Cmp. HQ (805)547-1818. Website is www.oconnell2002.org...

■ **Energy Watch in DC** – Calif. GOP U.S. Reps. Chris Cox(Orange Co.), George Radanovich(Fresno) and Mary Bono(Palm Springs) voted **no** on U.S. Sen. Dianne Feinstein's plan to cap electricity prices. DiFi's plan was offered to a House bill aimed at easing the current power crisis in Calif. The DiFi amendment failed in committee on a 20-12 vote. All three of these congress members are from safe GOP districts. Meanwhile, Calif. GOP U.S. Reps. Steve Horn(Long Beach) and Doug Ose(Sacto) introduced legislation to protect energy consumer from price gouging by giving FERC increased power to "investigate" and then penalize wholesale energy providers who manipulate the market. FERC already has the power to do this, but they just won't act. That's why the CA Legislature has filed a lawsuit against FERC – to force them to do their job...

■ **Recall Against Marin Co. DA Defeated** – A recall against Marin Co. DA Paula Kamena was crushed in a special election May 22nd. With 100% of the votes counted, it was YES 14.18% vs. NO (on the recall) 85.82%. The recall was launched by supporters of Prop. 215, the MD marijuana initiative approved by voters in 1996 – but there were other groups who had it in for Kamena as well, including a group of parents who were POed over some child custody decisions in Marin Co...

■ **Did Lockyer Really Say This??** – In a 5/22 interview with the Wall Street Journal, Calif. AG Bill Lockyer(D) said, "I would love to personally escort Enron Corp. Chairman Kenneth Lay to an 8-by-10 cell that he could share with a tattooed dude who says, 'Hi, my name is Spike, honey.'" The folks at Enron weren't laughing...

■ **L.A. Council Sets Special Election in 4th CD** – The L.A. City Council has set Sept. 11th as the special primary election to replace the late John Ferraro, who died April 17th after a long battle with cancer. There could be as many as 15-20 candidates – and with that many an Oct. 23rd runoff is likely. Leading contenders include former Demo Senate Leader David Roberti; L.A. Community College Bd. member Beth Garfield; and former Ferraro aide Tom LaBonge – who is supported by L.A. Mayor Richard Riordan. In addition to these frontrunners, other names to surface include David Lehrer, L.A. Mayor COS Kelly Martin and homeowner association president Tony Lucente...

■ **Missing Coed** – There's always a hope that 24-year-old Chandra Ann Levy will show up, but it's getting to be more remote with each passing day. She was last seen leaving a gym in the DuPont Circle area of DC on April 30th and hasn't been seen since. U.S. Rep. Gary Condit(D-Ceres) is getting bashed by the DC gossip mongers because he knew Levy. Condit has admitted that Levy visited his DC condo several times. Of course this isn't the only DC coed to disappear. Joyce Chiang, 28, sister of Calif. BOE Member John Chiang, disappeared in Jan. 1999 from the same DuPont Circle area. Her body was discovered weeks later in the Anacostia River. No killer has been found. Is there a DuPont Circle serial killer at large???

CALPEEK'S NEW JOBS AND PERSONNEL NOTICES.

Editor's note: Here are some items to mark down in your notebook...

● Congratulations: lobbyists Marie Moretti and Terry M. McGann were married May 19th in Palm Springs...

● Jim Sutton has been elected president of the CA Political Attorneys Assn.(CPAA). Sutton works in the S.F. office of Nielsen, Merksamer, Parrinello et al...

● Scott J. Svonkin has been elected chair of the L.A. Co. Commission on Insurance. Svonkin is COS to Demo Assemblyman Paul Koretz of West Hollywood...

● S.F. Bay area direct mail consultants Winning Directions has opened an L.A. office at 1128 Sixth Ave., Ste. 6, Venice, CA 90291 (310)664-9378. Sr. political strategist Marc O'Hara is in charge...

● PR exec Gwyn Bicker has opened her own office in Sacto at 1121 "L" Street, Sacramento, CA 95814. (916)443-0872...